

FISCAL NOTE

HB 676 - SB 981

March 16, 2005

SUMMARY OF BILL: Requires the Commissioner of Labor and Workforce Development to promulgate rules for the prompt payment of workers' compensation health claims by insurance carriers and self-insured employers. Authorizes the Commissioner to assess a penalty of 25% of the unpaid or untimely paid benefits owed to a healthcare provider that are not paid or paid late.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – \$361,900 Recurring
\$16,000 One-Time**

Increase State Revenues - \$250,000

Increase Local Govt. Expenditures - Not Significant

Assumptions:

- State Risk Management Fund is exempt from the provisions of this bill.
- The fiscal impact on local governments participating in the TML Risk Management Pool is not significant.
- The Department of Labor and Workforce Development will need to hire 4 investigators, 2 attorneys and 2 administrative assistants.
- The revenues will be from the assessment of civil penalties in the amount of 25% of the unpaid or untimely paid benefits owed to a healthcare provider.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director